or the alleged violation", il so, what are the reaction of the Government in the matter and whether Government have contradicted it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) Government are aware of the report in the Economic Times published on 7th October, 1994.

On the basis of investigations in this matter, two show cause notices were issued, one dated 24-2-94 and the other dated 22-7-94, to M/s. Reliance Industries Ltd. and others. The first show cause notice has been adjudicated by the Collector of Central Excise confirming a demand of Rs. 26.59 lakhs on M/s. Reliance Industries Ltd. and also imposing a penalty of Rs. 5 lakhs on them. The second show cause notice is under adjudication.

Indo-China Economic Ties

1985. SHRI RAMDAS AGARWAL: wiH the Minister of FINANCE be pleased to state:

(a) whether high-level goodwill delegation from India visited China during November, 1994 in order to boost Indo-China economic ties and high-level economic contracts between the two countries;

(b) whether any Agreement has been reached between the two countries on establishment of banking relations; if so, whether this Agreement (MOU) is likely to be signed by the Central Batiks of both ths countries, besides any other Agreement;

(c) whether it is a fact that no Indian Bank has so far taken the risk of exposure in China after ths unresolved outstanding problems of liquidation of the Bank of China branches in India- and

(d) if so, what is the present position of economic reiations/ties between India and China ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) No, Sir.

(b) and (c) Reserve Bank of India (RBI) has intimated that a Memorandum of Understanding (MOU) on Backing Co-ope ration has been sinned by RBI with the people's Bank of China on 22nd October, 1994. Both the Central Bank of India and China have reached an understanding that SBI and other major Indian banks shall strengthen correspondent banking arrangements with Chinese banks operat ing in China and outside India for handl ing of trade and economic relations in accordance with the regulations in both' the countries. Both banks shall also consider M------,,tt,, «v,A nneninc of representative offices by banks from the other country I subject to current regulations existing in I each country.

(d) Ministry of External Affairs have intimated that the MOU signed in October, 1994 and the Agreement on Avoidance of Double Taxation signed during Chinese Foreign Minister's visit to India earlier this year are likely to promote trade and economic relations between the two countries. Bilateral trade between India and China has shown a significant increase in recent years. For the first nine months of this year the total volume of trade was US $ 593 million which is an increase of 29.47% over the correspond ing perod last year.

Cash Credit Facilities *to* Farmers

1986. MISS SAROI KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India is considering Cash Credit facilities for farmers from commercial banks as provided to industries; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) end (b) Reserve Bank of India (RBI) has advised all the scheduled commercial banks including regional rural banks vide its circular dated 26-10-1994 that farmers satisfying certain criteria should be extended a line of credit in the form of cash credit facility to meet their composite credit requirements. The facility will be available to farmers having irrigation facility arid also to those who do not have such facility but who in addition to cultivation of crops undertake allied activities like dairy, poultry, etc. and/or other non-fa rm activities and who have satisfactory track record in the previous two years in regard to the conduct of their bank/borrowal accounts.

Assistance Sanctioned and Disbursed by IDBI

1987. SHRI T. VENKATRAM REDDY : WiH the Minister of FINANCE be pleased to state :

(a) the number of applications for grant Industrial Development Bank of India Industral Development Bank of India during the last three yearn, State-wise;

(b) the number of applications sanctioned and rejected State-wise; and

(c) the details of financial assistance sanctioned and disbursed by IDBI to Indus-tries during the above period, State-wise ?

THE MINISTER OF STATE IN THB MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MUR THY) : (a) and (b) As per '